

LISKOW & LEWIS

A PROFESSIONAL LAW CORPORATION

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James H Dupuis, Jr.
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September 7, 2007

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
Post Office Box 94275
Baton Rouge, LA 70804-4275

Re: Unit and Alternate Unit Well Designations
Upper Cotton Valley Zone, Reservoir A, Sand Units A and B
Middle Cotton Valley Zone, Reservoir A, Sand Units C and D
Gray Sand, Reservoir A, Sand Units C and D
Rocky Mount Field, Bossier Parish, Louisiana
Applicant: Peoples Energy Production-Texas, L.P.

Dear Commissioner Welsh:

Application is hereby made on behalf of **PEOPLES ENERGY PRODUCTION-TEXAS, L.P.** for the calling of public hearings after ten (10) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters:

1. To permit the applicant to drill, designate and utilize an additional alternate unit well for the UCV RA SUA, at the location shown on the plat attached hereto and made a part hereof, in exception to the spacing provisions of the Office of Conservation Order No. 460-F, effective July 17, 2001.

2. To permit the applicant to drill, designate and utilize a unit well for the UCV RA SUB, at the location shown on the plat attached hereto and made a part hereof, in exception to the spacing provisions of Office of Conservation Order No. 460-F, effective July 17, 2001.

3. To permit the applicant to drill, designate and utilize a unit well for the MIDD CV RA SUC, at the location shown on the plat attached hereto and made a part hereof, in exception to the spacing provisions of the Office of Conservation Order No. 460-E, effective September 15, 1976.

4. To permit the applicant to drill, designate and utilize an additional alternate unit well for the MIDD CV RA SUD, at the location shown on the plat attached hereto and made a

part hereof, in exception to the spacing provisions of the Office of Conservation Order No. 460-E, effective September 15, 1976.

5. To permit the applicant to drill, designate and utilize an additional alternate unit well for the GRAY RA SUC and GRAY RA SUD, at the locations shown on the plat attached hereto and made a part hereof, in exception to the spacing provisions of the Office of Conservation Order No. 460, effective May 1, 1959, as amended and supplemented by Office of Conservation Order No. 460-D, effective May 28, 1975.

6. To find that the proposed unit and alternate unit wells are necessary to efficiently and economically drain that portion of the reservoirs covered by the units referenced above.

7. To continue in effect the existing designations and use of the current unit well and alternate unit wells, where applicable, for each of the units referenced above.

8. To permit the operator to produce the unit allowable for the aforementioned units from the unit well, the existing alternate unit wells and/or the proposed alternate unit wells, in any combination, at the discretion of the operator.

9. Except to the extent herein set forth, to continue in full force and effect the provisions of the 460-F and 460-E Series of Office of Conservation Orders and Office of Conservation Order No. 460, as amended and supplemented by the 460-D Series of Orders respectively, the units created thereby, and applicable statewide orders.

10. To consider such other matters as may be pertinent.

The Upper Cotton Valley Zone, Reservoir A, in Rocky Mount Field, Bossier Parish, Louisiana, was previously defined in Office of Conservation Order No. 460-F, effective July 17, 2001.

The Middle Cotton Valley Zone, Reservoir A, in the Rocky Mount Field, Bossier Parish, Louisiana, was previously defined in Office of Conservation Order No. 460-E, effective September 15, 1976.

The Gray Sand, Reservoir A, in the Rocky Mount Field, Bossier Parish, Louisiana, was previously defined in Office of Conservation Order No. 460-D, effective May 28, 1975.

The applicant is requesting permission to drill, designate and utilize additional alternate unit wells for each of the aforementioned units at the locations shown on the attached plats. These wells will permit efficient and economic recovery of hydrocarbons underlying their respective unit, will not adversely affect the adjacent offsetting units, and are needed to satisfy the market demand for gas and condensate from the field.

Attached hereto and made a part hereof are plats outlining the applicant's proposals along with a list of the names and addresses of the Interested Owners, Represented Parties and

September 7, 2007

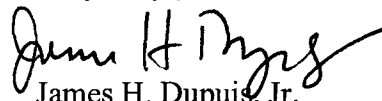
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Page 3

Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Interested Parties and Represented Parties.

Finally, enclosed herewith is our check on behalf of the applicant in the amount of \$4,530.00 made payable to the Office of Conservation and representing the required hearing application fee.

Very truly yours,

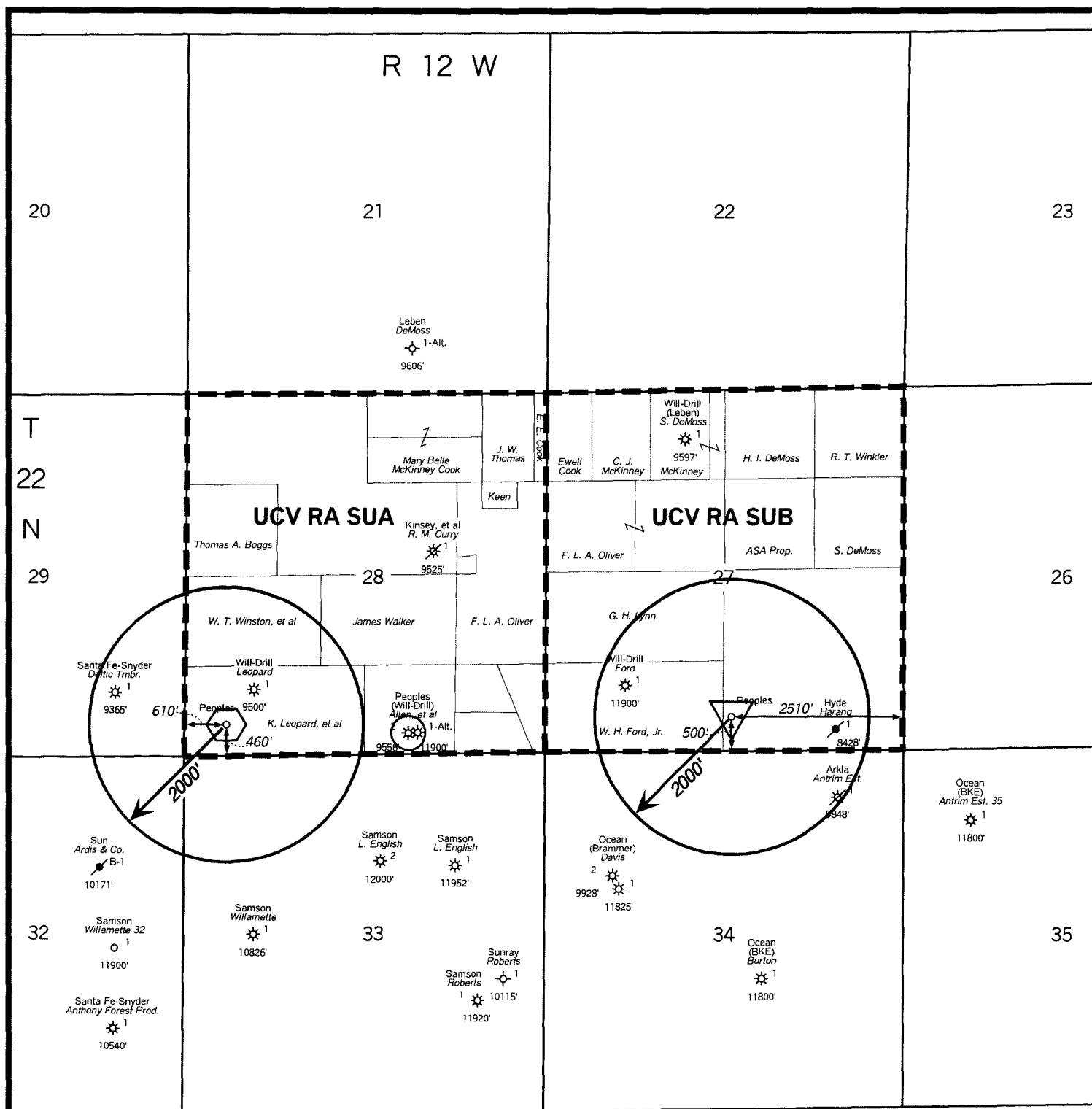


James H. Dupuis, Jr.

JHDjr/dbf
Enclosures

cc: Mr. James Broussard, Shreveport District Office of Conservation
cc: Interested Owners, Represented Parties and Interested Parties

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--- AS PER ORDER 460-F

○ CURRENT UNIT WELL

□ EXISTING ALTERNATE UNIT WELL

⬡ PROPOSED ALTERNATE UNIT WELL

▽ PROPOSED UNIT WELL

EXHIBIT NO.

DOCKET NO.

PEOPLES ENERGY PRODUCTION-
TEXAS, L.P.

ROCKY MOUNT FIELD
BOSSIER PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELL
UCV RA SUA
PROPOSED UNIT WELL AT
EXCEPTIONAL LOCATION
UCV RA SUB
Witness: David Comeaux

0 2000' 4000'

DATE:

LEON E. COMEAUX & ASSOCIATES
LAFAYETTE, LOUISIANA 337-233-9839

